

Article - Education

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§24–516.

(a) Subject to this Part IV of this subtitle, the Commission may at any time and from time to time issue bonds, bond anticipation notes, or other obligations, (herein referred to as “bonds”), and may use the proceeds or the earnings from the investment thereon for any authorized purpose, including the establishment of reserves and the payment of interest.

(b) (1) The Commission may issue bonds only if it determines that the issuance is necessary to achieve the purposes of this subtitle.

(2) The determination under paragraph (1) of this subsection shall be made by the chairman of the Commission.

(c) (1) The Commission shall submit each proposed issue of bonds to the Board of Public Works and shall obtain the approval of the Board of Public Works for the proposed issue prior to issuance of the bonds.

(2) In submitting a proposal to issue bonds to the Board of Public Works, the Commission shall identify the source of revenue that supports the debt service on the bonds.

(3) The Board of Public Works may not approve the issuance of bonds by the Commission that will result in more than \$3,000,000 in an aggregate outstanding and unpaid principal balance of bonds for the Commission at any time.

(d) Except as otherwise expressly required by this subtitle, the Commission may issue the bonds without:

- (1) Obtaining the consent of any other unit of State government;
- (2) Any proceedings; or
- (3) The occurrence of any conditions.

(e) (1) The Commission shall by resolution authorize any bonds that it issues.

(2) The Commission may secure the bonds by a resolution or trust agreement between the Commission and a corporate trustee or trustees, which may

be any trust company or bank having the powers of a trust company within or without the State.

(f) Proceeds of bonds and the investment income from such bonds shall be deposited by the Commission in any State or national bank or federally insured savings and loan association having a total paid-in capital of at least \$1,000,000. The trust department of any State or national bank or savings and loan association, or trust company, may be designated as a depository to receive any securities acquired or owned by the corporation.

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